

GAUNTLET THROWN DOWN BY RUSSIA

WITTE SAYS NOT A CENT TRIBUTE—DECLARES COMPROMISE SUGGESTED BY ROOSEVELT AND PROFFERED BY JAPANESE IS A SNARE AND A FRAUD—ADJOURNMENT OF CONFERENCE TO SATURDAY

St. Petersburg, Aug. 23.—The Associated Press has the best reasons and authority for declaring again, with increased emphasis, that Russia will never consent to the payment of indemnity to Japan. Such payment would so gravely menace vital interests of the state as to make this article in the Japanese Peace terms utterly impossible of acceptance.

Portsmouth, N. H., Aug. 23.—The Japanese plenipotentiaries, at the conclusion of the afternoon session today of the peace conference threw the cards on the table. Protocols involving agreement upon eight of the twelve articles originally presented by Japan had been signed, and the plenipotentiaries had reached the parting of the ways.

Figuratively President Roosevelt suddenly entered the conference room. Baron Komura, in a few words, explained that Japan, in her great desire for peace, was ready to make certain "modifications" of the original articles in the hope that Russia could find it possible to accept them. He then presented in writing to M. Witte a compromise proposition which President Roosevelt had suggested. It offered to withdraw article nine, providing for the payment by Russia of the Japanese bill for cost of the war, on condition that Russia would accept article five, which provides for cession of the island of Sakhalin, so modified as to include arrangement for repurchase by Russia of the northern half of the island for 1,200,000,000 yen.

In addition, it offered to withdraw entirely articles eleven and twelve (surrender of interned warships and limitations upon Russia's sea power in the far east). It was President Roosevelt's compromise, and M. Witte knew its conditions as well as Baron Komura.

The question of whether he was "bluffing" was put to the test. Without a moment's hesitation, M. Witte explained that the modification proposed was merely a sham, a change of phraseology, a diplomatic attempt to "dross pillage" and ask Russia to pay a war tribute under another name. He could not accept it.

He told Baron Komura Russia wanted peace. She had given proofs in accepting every article involving issues upon which the war was fought, but she could fight, and money for tribute she would not pay. He asked Baron Komura to withdraw all demands for tribute.

And to the plenipotentiaries separated, to meet again on Saturday, ostensibly to permit M. Witte to place in writing, as rules of the conference require, his reply to the Japanese compromise proposition. In reality, adjournment over the two days was given to give each side an opportunity to consult its government for the last time.

Portsmouth, N. H., Aug. 23.—Excessive tension marked the situation before the peace envoys met this morning. There was evidence of excitement in both camps as the chiefs and attaches made their preparations to go to the conference.

Were the issue to go to a complete show down to day a rupture would be certain, since the long cablegram of instructions which Mr. Witte received last night would not permit him to accept the compromise which it was said Japan was prepared to offer this morning as a result of the President's heroic endeavors to save the conference.

The cablegram from St. Petersburg was sent before Mr. Witte communicated to the emperor the contents of the communication from President Roosevelt, delivered to him yesterday afternoon; hence it is not necessary to be accepted as the emperor's last word and Witte went to the conference prepared to "spar for time."

Almost to a man the members of the Russian commission would personally favor the compromise suggested by the President, but they are powerless if the emperor and his advisers stand firm.

The Russians realize that the turn events have taken will put their country in a difficult position if a rupture comes now. Japan will stand before the world as not implacable, but ready to accept a compromise on the two main issues. "By arrangement" to practically yield in whole or in part the "cession of Sakhalin," while obtaining in substance if not in fact an indemnity. Should Russia refuse this solution the world's verdict will be against them.

MR. MEYER SEES EMPEROR.

St. Petersburg, Aug. 23.—Mr. Meyer, the American ambassador, went this afternoon to Peterhof palace, where he was received in audience by the emperor. The meeting concerned the peace conference.

Oyster Bay, Aug. 23.—President Roosevelt sent a long message to Ambassador Meyer this evening.

ANOTHER SITTING THIS AFTERNOON.

Portsmouth, N. H., Aug. 23.—The peace conference adjourned at 12:15 p. m. Mr. Witte and Baron Rosen at once left the navy yard for the Hotel Wentworth.

MOST HOPEFUL SIGN.

Portsmouth, N. H., Aug. 23.—A press cable from St. Petersburg, announcing that Mr. Meyer had an audience with the emperor at Peterhof this morning is considered here as one of the most hopeful signs thus far developed in connection with the President's efforts to bring the belligerents to compromise.

That Roosevelt should ask Mr. Meyer to make a personal appeal to the emperor in his name shows how much in earnest the President is.

WARSAW STRIKE DECREASING.

Warsaw, Aug. 23.—The strike in the factories is decreasing. Wholesale arrests have been made, including members of the Polish socialist party. Several persons have been conveyed to the fortress because the jails set apart for political offenders are full.

A CHECK FOR HUNGARIANS

Washington, Aug. 23.—President Roosevelt, as soon as he returns to Washington, will take action upon the subject of the immigration into this country of hordes of the subjects of Austria-Hungary. It is said at the State Department that the question is a most complicated one. The crisis arose from the treatment accorded to Marcus Braun, an inspector in the service of the Department of Commerce and Labor.

Braun made some severe accusations against the Hungarian government, and later complained that his mail had been opened and read by Hungarian authorities. Then he came back to New York and shortly after resigned from the service.

Since that time there has been a voluminous correspondence between the State Department and Hungary on the subject, and this correspondence has been laid before the President as fast as it was received. He is now digesting it, and it is expected here that he will announce his decision upon his return to the capital.

Portsmouth, Aug. 23.—Many believe the outlook never so black as tonight. The Japanese appear to be more resolute than ever. The only possible line of further Japanese concession is considered to lie in diminution of the amount of the purchase money demanded for the north half of Sakhalin. The decision rests, therefore, as it has from the first, with Russia. Unless the emperor agrees to yield between now and Saturday the end is likely to come on that day, and indications from Peterhof, instead of raising the chances, indicate even a firmer determination to yield neither territory nor indemnity, sugar coated though the latter may be.

Indemnity is the crux of the whole matter. If this question can be arranged, it is believed here that all other questions on which there has been divergence of opinion will practically settle themselves.

Russia is ready, however, to make reasonable and proper payment for the maintenance of the Russian prisoners in the hands of the Japanese. This has been the attitude of the foreign office since four points in dispute were referred to St. Petersburg from Portsmouth, and it is a true expression of Russian official and public opinion.

Was Russian Proposal.

Portsmouth, Aug. 23.—From an authoritative Japanese source the Associated Press is informed that the proposition to divide the island of Sakhalin came originally from the Russian side.

Strikes Are Ended.

Warsaw, Aug. 23.—Strikes in the factories at Warsaw and Lodz have ended. Trains are running on time, guarded and driven by soldiers.

THE SURVEYOR IS OUT

Supervisors Remove Johnson—Other Actions

(Special to Review.)

Tombstone, Aug. 23.—The Board of Supervisors at their meetings during recesses of the Board of Equalization have transacted considerable important business. The bridges erected by the Midland Bridge Co. at Hereford and St. David were accepted upon report of Superintendent of Construction Rockfellow.

Upon the unanimous vote of the Board the office of County Surveyor was declared vacant. Surveyor Johnson is said to have left the country, and to have failed for some time to perform the duties of his office.

W. G. Gilmore was appointed tax attorney in place of John McGowan, resigned.

The resignation of W. J. Francis as justice of the peace at Hereford was accepted, but no one was appointed to fill the place, as there were no applicants.

The clerk was instructed to advertise for bids for the repairing of the court room so as to improve the acoustic soundings. The work will be done before the term of court in October.

Edwin Hughes was appointed to the position as deputy clerk of the Board of Supervisors, that office being formed upon the assessed valuation of the county reaching \$5,000,000.

C. E. Prewitt, of Bowie, was awarded the contract for building the branch county jail at Bowie, yesterday. The contract calls for a building 10x12 to be built out of 2x4s securely fastened together, ceiling ten feet high, and floor to be of concrete. The price to be paid for the building is \$250.

Dressing Postoffice—When painters get through with work they have in progress at the postoffice building the structure will hardly be known for itself. At present the outside is being made to respond to the touch of the brush.

Mr. and Mrs. John Lyon arrived in the city last evening from Cripple Creek, Colo.

ARIZONA VALUATIONS

How the Total Amount of \$57,920,372 is Portioned

The Territorial Board of Equalization adjourned Monday, after having been in session for just a week, an unprecedentedly short time for the August meeting. The business of the board was really completed Saturday at noon. The figures, however, had not been compiled and the minutes had not been brought up for approval and signature. Auditor Hill and Secretary Tritle spent Sunday in putting the finishing touches on the week's work.

The compiled figures show that the total valuation of all property for purposes of taxation is \$57,920,372.84. This is a gain of about \$13,000,000 over the valuation last year. After having spent some time in trying to find a way for increasing the valuation of improvements on mining property the board could find none, and decided to accept the returns from the county boards.

The following is a list of the amount and value of the property of the Territory: 6,194,849.46 acres of cultivated land, \$5,420,263.45; improvements on the same, \$1,353,370.40; 181,096.64 acres uncultivated land, \$261,843.33; improvements on same \$2,812.50; 881,440.73 acres railroad land, \$927,945.80; 840,829.19 acres land grants, \$530,476.80; improvements, \$19,200; patented mines, \$11,641,568.30; improvements on patented mines, \$2,426,294.01; improvements on unpatented mines, \$372,829; town and city lots, \$6,307,334.48; improvements on such lots, \$7,328,125.10; 15,260 range horses, \$159,577; 13,367 work horses, \$537,440; 9762 saddle horses, \$223,973; 104 stallions, \$8169; 1820 mules, \$64,833; 1421 asses, \$8866; 266,064 range cattle, \$2,726,124.20; 283 beef cattle, \$4785; 10,409 milch cows, \$241,577; 1098 bulls, \$40,326; 339,212 sheep, \$678,399; 62,148 goats, \$123,503; 6974 swine, \$18,265; 757 brood mares, \$7670; 2625 calves, \$13,375; 1103 ostriches, \$55,150; 1,187,214 miles of standard gauge railroad track, \$5,994,456.94; 53.3 miles narrow gauge railroad track, \$177,050; other railroad property, \$374,235; all other property, \$9,926,911.86.

The total is \$57,920,372.84. From this is deducted widows' exemptions amounting to \$239,341, leaving \$57,920,372.84. The assessment of the special car lines is included in the item "other railroad property."

OCEANIC ON FIRE.

Liverpool, Aug. 23.—Fire broke out this afternoon in the steerage of the White Star line steamer Oceanic. The extent of the damage is not yet known. The Oceanic is scheduled to sail for New York today.

The fire was promptly extinguished by the crew and the damage was trifling. The Oceanic sails this afternoon.

APPOINTED MAIL CLERK.

Washington, Aug. 23.—Lee M. Proctor, of Tucson, has been appointed a railway mail clerk.

IMPROVEMENT GOES ON

In New Orleans Situation—Fever Spreading Outside

New Orleans, Aug. 23.—Report to 6 p. m.: New cases to date, 53; total to date, 15556.

Deaths, 5; total 219. New food, 10; total, 352. Cases under treatment, 312. Little variation from the steady improvement of the past week marked today's numerical record of the yellow fever situation.

At Terre Aux Boeufs Health Officer Vereaux found five genuine cases today, and three more to add to the suspicious list. The town and its vicinity was invaded by Italians after the fever appeared here, and infection is, therefore, traceable to New Orleans.

New Orleans, Aug. 23.—While the fever in New Orleans is submitting to control, there is scarcely a day passes without the report of some newly infected point. The worst thus far discovered is at Leville, where nearly 100 persons are affected and a number of deaths have occurred.

Today's Report.

New cases at noon, since 6 p. m., 12. Total cases to date, 1515.

Deaths, 1.

Total deaths to date, 215.

To Commence Fine Building—Boston & Brown will commence erection the first of next week of their new building back of the Annex, on the opposite side of the subway. This building will be a three-story cement block structure. The dimensions will be 65x40 in the clear. The ground floor will be for storage purposes and will be equipped with that end in view. The two upper floors will contain 24 airy, light lodging rooms. Steam heat will be provided in the building and incandescent lamps will light it. The intention is to make it the best equipped and most up-to-date lodging house in town. The building itself will be a substantial structure of pleasing design.

Manager Reno, of the Copper City Brewing Co., is in town.

NEAL IS BELIEVED RIGHT

Attorneys Back of Opinion Regarding Illegality of Mine Tax Increases Made by the Territorial Board of Equalization

Tombstone, Aug. 23.—Indications are not lacking here that the mining companies of the county are about to take action to block the advance of 1500 per cent upon their assessed valuations recently authorized by the Territorial Board of Equalization.

Just what form the step will take is not known, but it is presumed that an injunction will be asked restraining the County Board from making effective the ruling of the Territorial Board. Several mining men of prominence arrived here today. Mr. Bowman, member of the Territorial Board, is expected from Phoenix tomorrow. With him will likely come the official notice to the County Board from the Territorial Board of raises made.

The opinion given by Attorney George Neale, as printed in yesterday morning's Review, concerning the action of the Territorial Board of Equalization on mine taxation, has given much satisfaction to owners of patented ground in this section of Cochise county, and has likewise caused both lawyers and mine owners to closely scrutinize that part of the code which Mr. Neale asserts will be the means of undoing the arbitrary action of the Board. The part in question, upon which Mr. Neale partially bases his opinion, is taken from Paragraph 3880 (Sec. 50), Revised Statutes of Arizona, and reads as follows:

"The said board shall ascertain whether the valuation of property in each county bears a fair relation or proportion to the valuation in all other counties in the Territory, and on such examination they may increase or decrease the valuation of property in any county, AS MUCH AS IN THEIR JUDGMENT MAY BE NECESSARY TO PRODUCE A JUST RELATION BETWEEN ALL THE VALUATIONS OR PROPERTY IN THE TERRITORY."

This last sentence in the quotation above is the one which Mr. Neale construes to mean that the increase or diminution in taxes must be apportioned on all classes of property and not upon any single interest or industry.

The point in question, therefore, is did the board, in raising the taxation on mines alone, to excessive figures, produce a JUST RELATION between all the valuations of property in the territory; or would it be a JUST RELATION BETWEEN ALL THE VALUATIONS OF PROPERTY TO tax a non-producing and non-paying property, at the same ratio as a producing and dividend-paying property should be taxed.

The general consensus of opinion among lawyers in the city is that Mr. Neale has placed the correct construction upon the law, and that the Board is raising the taxes on mines to excessive figures did not produce a just relation between the valuation of all property in the territory and carried out an illegal action in doing so.

Since the interview with Mr. Neale appeared in the Review a number of prominent attorneys are looking up the matter thoroughly, but up to last night were not ready to give a decided opinion. They claimed that it certainly looked as if the correct solution of the problem had been reached, but wished for more time to look up decisions. One or two attorneys also declared that they had been already retained to fight the case, and of course could not at the present time enter into a public controversy. These same attorneys said, however, that they believed Mr. Neale was correct in his opinion.

FRANCHISE AT BENSON THE TAX RATE IS FIXED

Omnibus Grant by Supervisors for Gas, Water, Etc Is \$2.90, the Lowest in the History of the County

(Special to Review.)

Benson, Aug. 23.—The Board of Supervisors yesterday granted to Doan Merrill and Steve Roemer, of Benson, a permit to lay gas mains, water mains and erect electric light poles and string wires in the town of Benson. The permit is granted for a period of twenty-five years, with the proviso that active work should commence within six months from date. It is understood that Messrs. Roemer and Merrill have in view the formation of a company to whom they will transfer their permit, and that active operations will commence at once. It is probable that an electric light plant will be installed and the power be derived from the smelters, as both of the above gentlemen are heavily interested in that industry. That Benson is coming to the front is evident from the fact that capitalists are looking ahead to the future of the city and are obtaining these permits, which are virtually franchises, before they are taken up by other parties.

BRITISH SHIP GOES DOWN.

Buenos Ayres, Aug. 23.—Report has been received here of foundering of the British bark Bidston Hill. The report states that eighteen of the crew were drowned.

MENACES EUROPE'S PEACE

London, Aug. 23.—James Bryce has thought it desirable, in order to stem the tide of hatred growing up between Germany and England owing to the incitement of the jingo press, to write on behalf of the leaders of the Liberal party to Professor Barth, editor of the Berlin Nation, assuring him no normal Englishman has thought or said it was England's policy to destroy the German fleet before it grew to be a menace to England. He says it is a monstrous presumption that any power has any sort of right to claim to put a limit to the naval and military measures a sovereign state like Germany chooses to adopt for her own protection.

Despite Mr. Bryce's well-meant assurance, no view is commoner among normal Englishmen today than that England must destroy the German fleet now or risk losing her colonies later on. The British channel squadron's present visit to the Baltic is undoubtedly in the spirit of a hostile naval demonstration, if not a provocation to Germany. The vaunting tone in which jingo papers record its progress and describe the impression of awe and admiration this imposing fighting army of thirty-five battleships and cruisers and numerous destroyers is making along the coasts of Holland and Denmark deprives the cruise of all real friendliness, whatever official courtesies may attend it.